DENIED IN FULL

ON THE BROADER BILATERAL RELATIONSHIP, END SUMMARY.

1. A SATISFACTORY RESOLUTION TO UNDERSECRETARY
BARTHELMEY'S ONGOING CONSULTATIONS WITH THE CHINESE
ON WEAPONS PROLIFERATION ISSUES IS IMPORTANT NOT ONLY
IN TERMS OF THE OVERALL SINO-U.S. RELATIONSHIP BUT
ALSO IN PROTECTING U.S. INTERESTS IN OTHER PARTS OF
THE WORLD. IN THE CONTEXT OF THESE CONSULTATIONS, WE
OFFER OUR SENSE OF THE CHINESE POSITION ON SOME
OF THE MORE IMPORTANT WEAPONS PROLIFERATION ISSUES.
OVER THE PAST MONTHS WE HAVE CONSISTENTLY HEARD THE
POSITIONS OUTLINED BELOW REPEATED BY CONTACTS IN THE
FOREIGN MINISTRY AS WELL AS A NUMBER OF THINK TANKS:
WE ARE THEREFORE CONVINCED THAT THESE POSITIONS
REPRESENT CURRENT PRC POLICY.

NUCLEAR PROLIFERATION: THE THEORY

5. WHILE NOT A SIGNATORY TO THE NUCLEAR
NONPROLIFERATION TREATY, THE PRC HAS FREQUENTLY
STATED IN PUBLIC THAT IT SUPPORTS THE THREE GOALS OF
THE TREATY: PREVENTING THE SPREAD OF NUCLEAR WEAPONS
TO NON-NUCLEAR STATES; REDUCING NUCLEAR WEAPONS
ARSENALS WORLDWIDE; AND PROMOTING THE PEACEFUL
USE OF NUCLEAR ENERGY. THE CHINESE SAY THAT AS A RESULT OF THEIR
SUPPORT FOR THESE GOALS THEY HAVE DEVELOPED THREE
PRINCIPLES WHICH GOVERN THEIR NUCLEAR COOPERATION
WITH OTHER COUNTRIES: 1) THEY WILL COOPERATE ON
PROJECTS WHICH FALL UNDER IAEA SAFEGUARDS; 2) THEY
WILL NOT COOPERATE ON PROJECTS GEARED TOWARDS WEAPONS
DEVELOPMENT; AND 3) THEY WILL NOT COOPERATE ON
PROJECTS GEARED TOWARDS THE TRANSFER OF TECHNOLOGY TO
THIRD COUNTRIES.

6. CHINESE OFFICIALS AND ANALYSTS HAVE INSISTED TO
US THAT THESE PRINCIPLES APPLY TO CHINESE NUCLEAR
COOPERATION WITH ALL COUNTRIES, SPECIFICALLY
INCLUDING PAKISTAN AND ALGERIA. THEY ASSERT THAT
THEY DO NOT WORK ON ANY PROJECTS IN EITHER OF THOSE
COUNTRIES WHICH ARE NOT COVERED BY IAEA
SAFEGUARDS. POINTING OUT, FOR EXAMPLE, THAT THE NEW
POWER REACTOR WHICH THEY HAVE AGREED TO PROVIDE
PAKISTAN WILL COME UNDER THE SAFEGUARDS.

PRC ATTITUDES TOWARDS SOUTH ASIAN PROLIFERATION

7. BEIJING'S "PRINCIPLES" REGARDING NUCLEAR
NONPROLIFERATION HAVE NOT TRANSLATED INTO A
WILLINGNESS TO TAKE CONCRETE ACTIONS TO ADDRESS
SPECIFIC NUCLEAR PROLIFERATION CONCERNS IN SOUTH ASIA
AS A CASE IN POINT. OUR CHINESE INTERLOCUTORS HAVE
REJECTED THE PERSISTENT REPORTS THAT THE PRC IS
ASSISTING THE PAKISTAN NUCLEAR WEAPONS PROGRAM. OUR
CONTACTS FURTHER TELL US THAT THEY SEE LITTLE
ROLE FOR CHINA TO PLAY IN TRYING TO STEM THE NUCLEAR
WEAPONS TIDE IN SOUTH ASIA.

8. THE CHINESE DO NOT WANT TO SEE THE PAKISTANI
PROGRAM PRODUCE A FULL-SCALE NUCLEAR ARMS RACE WITH
NEW DELHI. THAT BEING SAID, BEIJING VIEWS THE
PAKISTANI PROGRAM AS PRIMARILY DEFENSIVE IN NATURE: A
LOGICAL RESPONSE TO INDIA'S 1974 EXPLOSION OF A
"PEACEFUL NUCLEAR DEVICE" AND PERHAPS A CHECK TO WHAT
THE UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: THEODORE SELLIN
DATE/CASE ID: 17 MAY 2002 200100469
CLASSIFICATION: CONFIDENTIAL REASON: 1.6(6)
DECLASSIFY AFTER: 16 APR 2016

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The Chinese perceive to be Indian "hegemonism" in South Asia. At the same time, the Chinese dismiss Indian insinuations that the PRC's nuclear arsenal prevents New Delhi from addressing nuclear proliferation issues with Islamabad on a bilateral basis. The Chinese argue that the PRC's guarantee that the Chinese nuclear weapons will never be used to attack a non-nuclear state should suffice to assuage New Delhi's concerns over Beijing's intentions.

9. PRC officials and researchers have made it clear to us that China believes resolving the South Asian nuclear program on a multilateral basis is a task primarily for the superpowers. Only Moscow and Washington, the Chinese maintain, have the necessary influence in the subcontinent to broker an agreement. Moreover, Beijing emphasizes that the PRC's nuclear arsenal will not be a topic for discussion in talks aimed at defusing the South Asian nuclear proliferation problem.

10. Here in Beijing, Chinese officials have been unresponsive to our attempts to engage them on South Asian nuclear proliferation. They have offered no suggestions regarding any multilateral solution to the problem and have admitted that they have not raised the issue of nuclear proliferation with the Indians. Several officials have stated that China would be willing to "consider" any suggestions we might advance for a multilateral approach to the issue; we take these statements as a polite dodge at us for not having advanced a concrete formulation which would interest the Indians without affecting in any way China's nuclear arsenal. Rather than as a serious offer to get involved in multilateral negotiations over South Asian nuclear proliferation, in a recent conversation, one Chinese official used the attitude toward South Asian nuclear proliferation. "The key lies with India," and, "India is reluctant to give up its right to possess nuclear weapons."

North Korea and the IAEA

15. The Chinese further maintain that they have put into place effective controls on the export of chemical weapons precursors, in line with their obligations under the 1925 Geneva Convention.
CHINESE TRACK RECORD REFLECTS AN AGGRESSIVE PRAGMATISM -- CESS-2'S TO SAUDI ARABIA FOR BIG MONEY, STEELWORKS TO BOTH IRAN AND IRAQ; MISSILES AND MISSILE TECHNOLOGY TO PAKISTAN FOR MONEY AND TO BALANCE INDIA; AND NO MISSILES TO KUWAIT (PROBABLY TOO SMALL A COUNTRY).